



Foreign Agricultural Service

**GAIN Report**

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# **Austria**

## **Exporter Guide**

### **For Austria and Central Europe**

### **2002**

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#### **Report Highlights:**

**Austria and Central Europe provide great sales opportunities for many U.S. food and agricultural products. Four of these countries will soon join the European Union resulting in more disposable income and greater possibilities for increased demand for U.S. products. If you already export to the European Union, or would like to do so, a review of export opportunities in these expanding markets could easily provide you increased sales.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Vienna [AU1], AU

European Union Member

## Austria Exporter Guide

### Economic and Demographic Situation:

Austria is considered to be a highly developed country, with the world's 12th highest per capita income. There is a strong economic growth, which will have a positive impact on the labor market. From 2000 to 2004, the Austrian economy is expected to grow at an average annual rate of about 2.5%, and there is increased spending on luxury goods.

The number of single households and working couples without children is rising. This increases the demand for convenience products and for food eaten outside the home. The increasing number of elderly people, many of whom have significant disposable income, creates additional demand for health foods. Also, the number of pets should continue to rise, thus stimulating the demand for pet food in upcoming years.

### Advantages for U.S. Suppliers:

- |   |  |
|---|--|
| -An aging population  | -No domestic seafood production                  |
| -Growth in urban population   | -Fruits and vegetables not produced domestically |
| -Good reputation of certain U.S. products   | -Undeveloped market for certain game meats       |
| -Interest in organic U.S. products  | -Growing interest in ethnic foods and seafood    |
| -Good infrastructure, efficient distribution system, most importers speak English | -Growing pet food market                         |

### Consumer Preferences:

Austrians have conservative tastes and prefer foods without artificial flavors, stabilizers, emulsifiers, and preservatives. Also, most consumers reject foods containing genetically modified products, resulting in a significant interest in organic products.

### The Best High-Value Product Prospects:

- |                |                     |                  |
|----------------|---------------------|------------------|
| -Alaska Salmon | -Walnuts            | -Cranberry juice |
| -Catfish       | -Pistachios         | -Wine            |
| -Lobster       | -Almonds            | -Tobacco         |
| -Shrimp        | -Dried cranberries  | -Petfood         |
| -Pecans        | -Other dried fruits | -Hard woods      |

For further information, go to [www.usembassy.at/en/usda/us\\_exporters.html](http://www.usembassy.at/en/usda/us_exporters.html).  
GAIN Report #AU0038

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Future European Union Candidate

## **Bosnia Herzegovina Exporter Guide**

### **Economic and Domestic Situation:**

The economy in Bosnia Herzegovina (BiH) is recovering from the 1992-1995 war and in transition to a market economy.

Many young people still live with their parents. People are also waiting longer to have children.

People are more interested in price than quality. However, high-quality U.S. products could find a small, but growing market due to the fact that consumer awareness is improving. There is also a large expat community living in Bosnia, anxious to spend their money on high quality luxury items.

### **Advantages for U.S. Suppliers :**

- Insufficient domestic food production
- Imports three times larger than exports
- Lower import duties
- Increased urban population
- Relatively low costs for introduction and promotion of new products
- Fascination with American culture carries over to American food
- Increased number of large retail supermarkets

### **Consumer Preferences:**

In general, most consumers view price as the primary factor in their food-purchasing decision, except the export community. Shopping centers are becoming an increasingly popular retail food sales point. People usually buy nonperishable foods at large supermarket centers once or twice a month. Perishable foods, fruits, vegetables, bread, and fresh meat are usually bought at small grocery stores on a near daily basis.

Consumption of red meat is relatively high, while fish consumption is usually low. The demand for organic foods is quite low. Most people prefer meals at home with fresh food items rather than ready-to-eat and frozen meals.

### **The Best High-Value Product Prospects:**

- |                                 |                  |                       |
|---------------------------------|------------------|-----------------------|
| -Fruit juices and mineral water | -Seafood         | -Wine                 |
| -Beer                           | -Cheese          | -Ice cream            |
| -Chocolate                      | -Biscuits        | -Walnuts, almonds,    |
| -Coffee                         | -Sauces & spices | hazelnuts, pistachios |

For further information, go to [www.usembassy.at/en/usda/us\\_exporters.html](http://www.usembassy.at/en/usda/us_exporters.html),

GAIN Report #BK2005

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Future European Union Candidate

## Croatia Exporter Guide

### Economic and Demographic Situation:

Croatia is in transition to a market economy. The prospect of becoming a European Union candidate country in 2003 should help the government focus its economic reform efforts, leading to increased disposable income. Croatia is heavily dependent on food imports. Croatia's population is about 4.3 million and is stable.

In 2001, Croatia imported \$845 million worth of agricultural food products; this number is expected to increase. Only a small percentage of food imports come directly from the U.S., but future growth is expected as the population ages and the standard of living rises and disposable income increases. Demand for seafood and other processed food is expanding as Croatia becomes a more popular tourist destination. This makes Croatia an excellent market for U.S. seafood and processed products.

### Advantages for U.S. Suppliers:

- |  |  |
|--|--|
| -Growth in tourism   | -Most importers speak English  |
| -Growth in urban population  | -An aging population   |
| -Shortages of agricultural products like beef, soybean meal, and seafood | -Many fruits, vegetables, dried fruits, and rice are not produced domestically |

### Consumer Preferences:

There is more of a demand for health foods and the consumption of "light" or diet products is rising. Smoked and salted meats are popular. Consumers generally will not buy food containing GMOs even if it is considerably cheaper.

### The Best High-Value Product Prospects:

- |                              |                    |   |
|------------------------------|--------------------|---|
| -Meats for use in processing | -Swordfish fillets | -Fruits, fruit products                 |
| -Pet food                    | -Squid             | -Rice                                   |
| -Hake                        | -Juice concentrate | -Beverages, including mineral water and |
| -Grouper                     | -Dried fruits      | wine                                    |
| -Salmon                      | -Frozen vegetables |   |

For further information, go to [www.usembassy.at/en/usda/us\\_exporters.html](http://www.usembassy.at/en/usda/us_exporters.html).  
GAIN Report #HR2014

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Future European Union Member

## Czech Republic Exporter Guide

### Economic and Demographic Situation:

The economic outlook is positive and growth of around 3 percent is expected. The Czech Republic is becoming a wealthier market and the standard of living and per capita disposable income is the highest of any European Union accession candidate. Due to improving economic conditions, demand for luxury products has increased even though price still remains a significant factor. The Czech Republic imports about \$367 million in foods annually.

The number of single and childless households are on the rise, primarily due to young people waiting longer to have a family. More women are entering the professional job market. The result is a higher demand for convenience products and frozen foods.

### Advantages for U.S. Suppliers:

- A boom in large hypermarkets that carry up to 30,000 food items
- Strong growth in hotel, restaurant, and institutional food sales
- Fish products are readily accepted by consumers, providing a good opportunity for U.S. exports of salmon, lobster, and other seafood
- Interest and willingness of Czech consumers to try new food products
- In-store promotions are considered to be a cost-effective way to introduce or promote products
- Large numbers of European and American tourists often buy foods they are familiar with
- Improving economic situation

### Consumer Preferences:

Traditionally, there has been a relatively high consumption of red meat and low consumption of vegetables. However, there is a trend toward healthier eating which includes lighter meals and international cuisines. There is an increase in the consumption of fruits, vegetables, fish, poultry, vegetable oils, and margarine. With the arrival of international retail chains, ethnic cuisines and prepared dishes/meals are becoming more well-known and popular.

### The Best High-Value Product Prospects:

- |                             |                     |                |                   |
|-----------------------------|---------------------|----------------|-------------------|
| -Almonds                    | -Frozen meals       | -Raisins       | -Tex-Mex products |
| -Citrus                     | -Juice concentrates | -Rice          | -Tobacco products |
| -Distilled liquor (whiskey) | -Live lobster       | -Sauces, salsa | -Wine             |
| -Peanuts, peanut butter     | -Dried prunes       | -Smoked salmon |                   |

For further information, go to [www.usembassy.at/en/usda/us\\_exporters.html](http://www.usembassy.at/en/usda/us_exporters.html).

GAIN Report #EZ1017

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Future European Union Member

## **Hungary Exporter Guide**

### **Economic and Demographic Situation:**

The economic situation continues to improve as the Hungarian government prepares for European Union accession. There has been a great infusion of foreign capital into the retail food sector, resulting in the recent opening of several state-of-the-art hypermarkets, which provide wide channels of distribution for new products.

Hungary's population is aging. There is growing demand for high-value specialty products, convenience foods, and petfood. Currently, food purchases account for about 30 percent of the personal expenditures.

### **Advantages for U.S. Suppliers :**

- Western consumption patterns are emerging
- There is growth potential in the retail sector, especially in suburban and rural areas
- Consumers tend to associate imports with high-quality goods
- The domestic food-processing industry needs certain ingredients
- Purchases by tourists and transit shoppers are large and growing
- Importers are open to new products and technologies and have been willing to participate in U.S. theme events

### **Consumer Preferences:**

The last few years have seen changes in consumer preferences. Pork consumption has decreased, while sales of less expensive processed meat products has increased. The demand for poultry has increased. Turkey and oven-ready poultry products have seen the most growth. Demand for fish and seafood is low, but there is a demand for frozen fish, particularly breaded products and more expensive restaurant cuts. There has been an increase in the consumption of fresh and preserved vegetables, although sales of these items appear to be price-sensitive. There is also a growing market for health foods.

### **Best High-Value Product Prospects:**

- |                   |                                  |                           |
|-------------------|----------------------------------|---------------------------|
| -Raisins          | -Meat (pork & beef)              | -Spices & condiments      |
| -Dried fruit      | -Seafood (esp. salmon & catfish) | -Petfood                  |
| -Almonds, peanuts | -Distilled liquors               | -Fruit juice concentrates |
| -Rice             | -Wine                            | -Misc. grocery items      |

For further information, go to [www.usembassy.at/en/usda/us\\_exporters.html](http://www.usembassy.at/en/usda/us_exporters.html).

GAIN Report #HU0014

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Future European Union Member

## **Slovenia Exporter Guide**

### **Economic and Demographic Situation:**

Slovenia is a small market with slightly less than 2 million people. It has a relatively fast-growing economy, and the purchasing power of the population is quickly improving.

Due to improving economic conditions, demand for luxury products has increased even though price still remains a significant factor in consumer buying decisions.

The number of single and childless households are on the rise, primarily due to young people waiting longer to have a family. More women are entering the professional job market. The result is a higher demand for convenience products and frozen foods. Pet ownership is also rising and pet food sales are moving up in the market.

### **Advantages for U.S. Suppliers :**

- Good image for certain U.S. products (e.g. fresh fruits, dried fruits, nut, whiskies)
- Food imports are rising
- Good infrastructure, efficient distribution system, importers speak English
- Niche market for various products (e.g. salmon, lobster, and other seafood)
- Incomes are rising
- There has been a boom in large hypermarkets that carry up to 30,000 food items
- Growth in tourism

### **Consumer Preferences:**

The biggest changes in food consumption in Slovenia have been a drop in red meat consumption, and an increase in vegetable consumption. The two main reasons for these changes are higher prices for red meats and a trend toward healthier eating.

Fish consumption is relatively low, but fish products are readily accepted by consumers. This represents a good opportunity for U.S. exports of salmon, lobster, and other seafood.

### **The Best High-Value Product Prospects:**

- |                   |                         |                              |                   |
|-------------------|-------------------------|------------------------------|-------------------|
| -Almonds          | -Juice concentrates     | -Sauces & salsa              | -Tex-Mex products |
| -Citrus           | -Live lobster           | -Smoked salmon               | -Tobacco Products |
| -Distilled liquor | -Peanuts, peanut butter | -Frozen meals                |                   |
| -Dried prunes     | -Raisins                | -Rice, wild rice, rice mixes |                   |

For further information, go to [www.usembassy.at/en/usda/us\\_exporters.html](http://www.usembassy.at/en/usda/us_exporters.html).  
GAIN Report #SI2005

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Future European Union Member

## **Slovakia Exporter Guide**

### **Economic and Demographic Situation:**

The economic outlook is positive and GDP growth of around 4 percent is expected for 2003. Foreign direct investment should hit a record \$4.2 billion in 2002. Slovakia is becoming a wealthier market and the standard of living and per capita disposable income are high compared to many other European Union accession countries. Due to improving economic conditions, demand for luxury products is increasing even though price still remains a significant factor. Slovakia imports between \$700 - 800 million in food products annually. The number of single and childless households are on the rise, primarily due to young people waiting longer to have a family. More women are entering the professional job market. The result is a higher demand for convenience products and frozen foods. The spread of hypermarkets had been slower in Slovakia than in other countries in the region but this is no longer the case. Many food products can be simultaneously introduced into both Slovakia and the Czech Republic by going through a multinational hypermarket (many of which maintain a regional office in the Czech Republic).

### **Advantages for U.S. Suppliers:**

- Good reputation of certain U.S. products
- Growing interest in seafood but no domestic production
- Growing pet food market (sales have more than doubled in five years)
- Distributors can reach both Slovakia and the Czech Republic through a single hypermarket chain

### **Consumer Preferences:**

Growing purchasing power, the broad range of food products now available to consumers, and consumer familiarity with international brands are all leading to more sophisticated consumers that no longer live in the shadow of communism. Snappy western style product promotions coupled with good access to hypermarket space are very important to both new and established brands. While hypermarkets only have about 15 percent of overall food sales, this number will rapidly increase since consumers love their prices, opening hours, and superior service.

### **The Best High-Value Product Prospects:**



- Alaska Salmon
- Catfish
- Almonds, pecans, and other nuts
- Petfood
- Whisky
- U.S. Wine (just now being introduced)

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